

The tables generated in the following narrative reflect the January 7th budget. A summary following the Biennium Comparison highlights the differences between:

- Changes between the November 15th preliminary budget analyzed in the Legislative Fiscal Division (LFD) 2023 Biennium Budget Analysis and the December 15th budget submission
- Changes between the December 15th budget submission and the January 7th budget submission

Agency Biennium Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Agency Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	90,933,624	102,725,580	11,791,956	12.97 %
Operating Expenses	28,991,931	36,053,272	7,061,341	24.36 %
Equipment & Intangible Assets	1,761,876	3,351,339	1,589,463	90.21 %
Capital Outlay	386,179	0	(386,179)	(100.00)%
Local Assistance	2,000,000	0	(2,000,000)	(100.00)%
Transfers	120,816	3,000	(117,816)	(97.52)%
Debt Service	133,146	154,468	21,322	16.01 %
Total Expenditures	\$124,327,572	\$142,287,659	\$17,960,087	14.45 %
General Fund	114,622,470	114,612,933	(9,537)	(0.01)%
State/Other Special Rev. Funds	1,979,898	19,684,764	17,704,866	894.23 %
Federal Spec. Rev. Funds	550,009	559,854	9,845	1.79 %
Proprietary Funds	7,175,195	7,430,108	254,913	3.55 %
Total Funds	\$124,327,572	\$142,287,659	\$17,960,087	14.45 %
Total Ongoing	\$124,077,572	\$142,037,659	\$17,960,087	14.47 %
Total OTO	\$250,000	\$250,000	\$0	0.00 %

Page Reference

LFD 2023 Biennium Budget Analysis – A-92

Budget Changes

Changes between the November 15th preliminary budget and the December 15th budget submission include:

- Elimination of the proposed 2.0% vacancy savings, increasing personal services and general and proprietary fund by \$1,947,807 when compared to the 2021 biennium
 - The elimination of vacancy savings increased personal services and general and proprietary fund by \$972,371 in FY 2022 and \$975,436 in FY 2023
- A proposed increase in proprietary funds of \$16,000 for FY 2022 and FY 2023 for maintenance costs for the Liquor Warehouse Expansion, contingent on the passage and approval of HB 14
- I-190 Recreational Marijuana implementation, which proposes an increase of \$4,334,989 in general funds for FY 2022, \$4,334,989 in state special revenue for FY 2022, and \$9,237,106 in FY 2023 for a total increase of \$17,907,084 for the biennium

Changes between the December 15th budget submission and the January 7th budget submission include:

- A proposed 4.0% vacancy savings reduction taken against personal services. This proposal reduces general and proprietary fund and personal services by \$3,896,344 when compared to the 2021 biennium
 - The proposed 4.0% vacancy savings reduction in personal services reduces personal services and general and proprietary fund by \$1,945,103 in FY 2022 and \$1,951,241 in FY 2023

58010 - Department Of Revenue**SUMMARY**

- A proposed increase of \$198,195 in general fund for 1.00 FTE for a Tax Policy Analyst
- Suspension of the employer share of group benefits for two months reducing general fund by \$1,218,362 in FY 2022
- Suspension of the proposed general fund appropriation of \$4,334,989 for the I-190 Recreational Marijuana implementation and an increase in state special revenue of \$4,125,417. Overall, this reduces the I-190 implementation total request by \$209,572

Agency Actuals and Budget Comparison

The following table compares the last full fiscal year actuals, previous biennium appropriations by year, and current annual biennium budget request by type of expenditure and source of funding

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	625.67	625.67	673.67	700.67
Personal Services	43,884,638	44,488,493	46,445,131	49,550,168	53,175,412
Operating Expenses	13,816,375	13,977,811	15,014,120	17,489,923	18,563,349
Equipment & Intangible Assets	1,731,317	1,731,322	30,554	3,135,256	216,083
Capital Outlay	384,459	386,179	0	0	0
Local Assistance	0	2,000,000	0	0	0
Transfers	117,816	119,316	1,500	1,500	1,500
Debt Service	50,714	55,899	77,247	77,239	77,229
Total Expenditures	\$59,985,319	\$62,759,020	\$61,568,552	\$70,254,086	\$72,033,573
General Fund	55,237,809	57,929,546	56,692,924	56,679,655	57,933,278
State/Other Special Rev. Funds	989,947	989,944	989,954	9,583,076	10,101,688
Federal Spec. Rev. Funds	275,085	275,086	274,923	279,920	279,934
Proprietary Funds	3,482,478	3,564,444	3,610,751	3,711,435	3,718,673
Total Funds	\$59,985,319	\$62,759,020	\$61,568,552	\$70,254,086	\$72,033,573
Total Ongoing	\$59,918,709	\$62,634,020	\$61,443,552	\$70,129,086	\$71,908,573
Total OTO	\$66,610	\$125,000	\$125,000	\$125,000	\$125,000

Funding

The following table shows proposed agency funding by source of authority.

Total Department of Revenue Funding by Source of Authority 2023 Biennium Budget Request - Department of Revenue						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	114,612,933	0		0 297,112,021	411,724,954	72.75 %
State Special Total	19,684,764	0		0 126,011,250	145,696,014	25.74 %
Federal Special Total	559,854	0	0	0	559,854	0.10 %
Proprietary Total	7,180,108	250,000	530,850	0	7,960,958	1.41 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$142,037,659	\$250,000	\$530,850	\$423,123,271	\$565,941,780	
Percent - Total All Sources	25.10 %	0.04 %	0.09 %	74.76 %		

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the [glossary](#).

Budget Summary by Category								
	-----General Fund-----				-----Total Funds-----			
Budget Item	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	56,692,924	56,692,924	113,385,848	98.93 %	61,443,552	61,443,552	122,887,104	86.37 %
SWPL Adjustments	896,763	830,510	1,727,273	1.51 %	987,116	928,115	1,915,231	1.35 %
PL Adjustments	196,319	304,582	500,901	0.44 %	8,910,769	9,537,644	18,448,413	12.97 %
New Proposals	(1,106,351)	105,262	(1,001,089)	(0.87)%	(1,087,351)	124,262	(963,089)	(0.68)%
Total Budget	\$56,679,655	\$57,933,278	\$114,612,933		\$70,254,086	\$72,033,573	\$142,287,659	

Program Biennium Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	12,850,492	23,017,240	10,166,748	79.12 %
Operating Expenses	3,973,795	9,209,497	5,235,702	131.76 %
Equipment & Intangible Assets	0	3,000,000	3,000,000	0.00 %
Capital Outlay	182,884	0	(182,884)	(100.00)%
Transfers	3,000	3,000	0	0.00 %
Debt Service	18,363	20,826	2,463	13.41 %
Total Expenditures	\$17,028,534	\$35,250,563	\$18,222,029	107.01 %
General Fund	16,309,418	16,833,839	524,421	3.22 %
State/Other Special Rev. Funds	408,199	18,105,820	17,697,621	4,335.54 %
Proprietary Funds	310,917	310,904	(13)	0.00 %
Total Funds	\$17,028,534	\$35,250,563	\$18,222,029	107.01 %
Total Ongoing	\$17,028,534	\$35,250,563	\$18,222,029	107.01 %
Total OTO	\$0	\$0	\$0	0.00 %

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LFD 2023 Biennium Budget Analysis – A-98

Budget Changes

Changes between the November 15th preliminary budget and the December 15^h budget submission include:

- Elimination of the proposed 2.0% vacancy savings, increasing personal services and general fund by \$270,946 when compared to the 2021 biennium
 - The elimination of vacancy savings increased personal services and general fund by \$135,215 in FY 2022 and \$135,731 in FY 2023
- I-190 Recreational Marijuana implementation, which proposes an increase of \$4,334,989 in general fund for FY 2022, \$4,334,989 in state special revenue for FY 2022, and \$9,237,106 in FY 2023 for a total increase of \$17,907,084 for the biennium

Changes between the December 15th budget submission and the January 7th budget submission include:

- A proposed 4.0% vacancy savings reduction taken against personal services. This proposal reduces general fund and personal services by \$541,976 when compared to the 2021 biennium
 - The proposed 4.0% vacancy savings reduction in personal services reduces personal services and general fund by \$270,471 in FY 2022 and \$271,505 in FY 2023
- A proposed increase of \$198,195 in general fund for 1.00 FTE for a Tax Policy Analyst
- Suspension of the employer share of group benefits for two months reducing general fund by \$158,768 in FY 2022
- Suspension of the proposed general fund appropriation of \$4,334,989 for the I-190 Recreational Marijuana implementation and an increase in state special revenue of \$4,125,417. Overall, this reduces the I-190 implementation total request by \$209,572

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	73.19	73.19	121.19	148.19
Personal Services	6,238,005	6,316,513	6,533,979	10,286,994	12,730,246
Operating Expenses	1,782,862	1,884,853	2,088,942	4,082,621	5,126,876
Equipment & Intangible Assets	0	0	0	3,000,000	0
Capital Outlay	182,884	182,884	0	0	0
Transfers	0	1,500	1,500	1,500	1,500
Debt Service	3,449	7,950	10,413	10,413	10,413
Total Expenditures	\$8,207,200	\$8,393,700	\$8,634,834	\$17,381,528	\$17,869,035
General Fund	7,847,650	8,034,150	8,275,268	8,432,472	8,401,367
State/Other Special Rev. Funds	204,085	204,085	204,114	8,793,604	9,312,216
Proprietary Funds	155,465	155,465	155,452	155,452	155,452
Total Funds	\$8,207,200	\$8,393,700	\$8,634,834	\$17,381,528	\$17,869,035
Total Ongoing	\$8,207,200	\$8,393,700	\$8,634,834	\$17,381,528	\$17,869,035
Total OTO	\$0	\$0	\$0	\$0	\$0

Funding

The following table shows proposed program funding by source of authority.

Department of Revenue, 01-Directors Office Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	16,833,839	0	0	297,112,021	313,945,860	68.52 %
02008 Tobacco And Cig. Tribal Agree.	80	0	0	9,000,000	9,000,080	6.25 %
02025 Unclaimed Property	288,532	0	0	0	288,532	0.20 %
02083 Oil & Gas Local Assistance	0	0	0	13,000,000	13,000,000	9.03 %
02088 SSR Administrative Funds	34,372	0	0	0	34,372	0.02 %
02168 MT Oil Production Tax	0	0	0	100,000,000	100,000,000	69.47 %
02169 Bentonite Production Tax	0	0	0	1,300,000	1,300,000	0.90 %
02511 Oil and Gas Natural Resource	0	0	0	1,000,000	1,000,000	0.69 %
02790 6901-Statewide Tobacco Sttlmnt	85,324	0	0	0	85,324	0.06 %
02966 Tribal Agreement - Alcohol	0	0	0	1,540,000	1,540,000	1.07 %
02312 Marijuana License and Fees	17,697,512	0	0	0	17,697,512	12.29 %
02533 Marijuana Tax	0	0	0	0	0	0.00 %
State Special Total	\$18,105,820	\$0	\$0	\$125,840,000	\$143,945,820	31.42 %
03802 CARES Act	0	0	0	0	0	0.00 %
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.00 %
06005 Liquor Division	310,904	0	0	0	310,904	100.00 %
Proprietary Total	\$310,904	\$0	\$0	\$0	\$310,904	0.07 %
Total All Funds	\$35,250,563	\$0	\$0	\$422,952,021	\$458,202,584	

Program Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the [glossary](#).

Budget Summary by Category								
-----General Fund-----					-----Total Funds-----			
Budget Item	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	8,275,268	8,275,268	16,550,536	98.32 %	8,634,834	8,634,834	17,269,668	48.99 %
SWPL Adjustments	213,500	30,376	243,876	1.45 %	213,540	30,416	243,956	0.69 %
PL Adjustments	0	0	0	0.00 %	8,589,450	9,108,062	17,697,512	50.20 %
New Proposals	(56,296)	95,723	39,427	0.23 %	(56,296)	95,723	39,427	0.11 %
Total Budget	\$8,432,472	\$8,401,367	\$16,833,839		\$17,381,528	\$17,869,035	\$35,250,563	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2022-----					-----Fiscal 2023-----					
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
DP 1 - Personal Services	0.00	(41,675)	0	0	(41,675)	0.00	(16,960)	0	0	(16,960)
DP 2 - Fixed Costs	0.00	255,789	40	0	255,829	0.00	47,721	40	0	47,761
DP 3 - Inflation Deflation	0.00	(614)	0	0	(614)	0.00	(385)	0	0	(385)
DP 19001 - I-190 Implementation	48.00	0	8,589,450	0	8,589,450	75.00	0	9,108,062	0	9,108,062
Grand Total All Present Law Adjustments	48.00	\$213,500	\$8,589,490	\$0	\$8,802,990	75.00	\$30,376	\$9,108,102	\$0	\$9,138,478

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

1. Expected changes
2. Personal services management decisions
3. Modifications made to the personal services budget in the 2021 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include the following: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The executive requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 19001 - I-190 Implementation -

This present law change package is necessary as part of the implementation of I-190, which passed by a majority of the electorate in November 2020. The executive is requesting an increase in state special revenue for administration expenses to fund 48.00 FTE in FY 2022 and 75.00 FTE in FY 2023 plus operating expenses. The start date for sales assumes that license applications will begin being accepted on October 1, 2021, and licenses will be issued by January 1, 2022. As indicated in the initiative, costs for implementation, administration, and enforcement of the program will be paid by fees assessed on licensees.

New Proposals

The New Proposals table shows new changes to spending

New Proposals										
-----Fiscal 2022-----						-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 101 - Tax Policy Implementation	0.00	102,472	0	0	102,472	0.00	95,723	0	0	95,723
DP 5555 - Reduce GF Budget for State Share Holiday	0.00	(158,768)	0	0	(158,768)	0.00	0	0	0	0
Total	0.00	(\$56,296)	\$0	\$0	(\$56,296)	0.00	\$95,723	\$0	\$0	\$95,723

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 101 - Tax Policy Implementation -

The executive requests an increase in general fund for 1.00 FTE Tax Policy Analyst to conduct the work necessary to implement tax related legislation.

DP 5555 - Reduce GF Budget for State Share Holiday -

Governor Gianforte has proposed legislation to impose a two-month state share holiday for employer contributions into the state health insurance fund. This change package removes the general fund portion of the savings generate by the contribution holiday. Savings from other funding sources will remain in the agency to be able to address ongoing functions of the agency. This change package is contingent on passage and approval of the proposed legislation.

Program Biennium Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	5,894,482	6,326,680	432,198	7.33 %
Operating Expenses	9,790,950	10,402,759	611,809	6.25 %
Equipment & Intangible Assets	1,673,385	290,231	(1,383,154)	(82.66)%
Total Expenditures	\$17,358,817	\$17,019,670	(\$339,147)	(1.95)%
General Fund	16,679,206	16,340,076	(339,130)	(2.03)%
State/Other Special Rev. Funds	167,714	167,710	(4)	0.00 %
Proprietary Funds	511,897	511,884	(13)	0.00 %
Total Funds	\$17,358,817	\$17,019,670	(\$339,147)	(1.95)%
Total Ongoing	\$17,358,817	\$17,019,670	(\$339,147)	(1.95)%
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

LFD 2023 Biennium Budget Analysis – A-103

Budget Changes

Changes between the November 15th preliminary budget and the December 15^h budget submission include:

- Elimination of the proposed 2.0% vacancy savings, increasing personal services and general fund by approximately \$133,141 when compared to the 2021 biennium
 - The elimination of vacancy savings increased personal services and general fund by \$66,467 in FY 2022 and \$66,674 in FY 2023

Changes between the December 15th budget submission and the January 7th budget submission include:

- A proposed 4.0% vacancy savings reduction taken against personal services. This proposal reduces general fund and personal services by \$266,304 when compared to the 2021 biennium
 - The proposed 4.0% vacancy savings reduction in personal services reduces personal services and general fund by \$132,942 in FY 2022 and \$133,362 in FY 2023
- Suspension of the employer share of group benefits for two months reducing general fund by \$65,501 in FY 2022

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	33.00	33.00	33.00	33.00
Personal Services	2,914,928	2,917,082	2,977,400	3,125,580	3,201,100
Operating Expenses	4,717,905	4,749,205	5,041,745	5,200,830	5,201,929
Equipment & Intangible Assets	1,673,385	1,673,385	0	104,702	185,529
Total Expenditures	\$9,306,218	\$9,339,672	\$8,019,145	\$8,431,112	\$8,588,558
General Fund	8,966,404	8,999,858	7,679,348	8,091,315	8,248,761
State/Other Special Rev. Funds	83,859	83,859	83,855	83,855	83,855
Proprietary Funds	255,955	255,955	255,942	255,942	255,942
Total Funds	\$9,306,218	\$9,339,672	\$8,019,145	\$8,431,112	\$8,588,558
Total Ongoing	\$9,306,218	\$9,339,672	\$8,019,145	\$8,431,112	\$8,588,558
Total OTO	\$0	\$0	\$0	\$0	\$0

Funding

The following table shows proposed program funding by source of authority.

Department of Revenue, 02-Technology Services Division Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	16,340,076	0	0	0	16,340,076	96.01 %
02790 6901-Statewide Tobacco Sttlmnt	167,710	0	0	0	167,710	100.00 %
State Special Total	\$167,710	\$0	\$0	\$0	\$167,710	0.99 %
03802 CARES Act	0	0	0	0	0	0.00 %
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.00 %
06005 Liquor Division	511,884	0	0	0	511,884	100.00 %
Proprietary Total	\$511,884	\$0	\$0	\$0	\$511,884	3.01 %
Total All Funds	\$17,019,670	\$0	\$0	\$0	\$17,019,670	

Program Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the [glossary](#).

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	7,679,348	7,679,348	15,358,696	93.99 %	8,019,145	8,019,145	16,038,290	94.23 %
SWPL Adjustments	381,790	392,908	774,698	4.74 %	381,790	392,908	774,698	4.55 %
PL Adjustments	95,678	176,505	272,183	1.67 %	95,678	176,505	272,183	1.60 %
New Proposals	(65,501)	0	(65,501)	(0.40)%	(65,501)	0	(65,501)	(0.38)%
Total Budget	\$8,091,315	\$8,248,761	\$16,340,076		\$8,431,112	\$8,588,558	\$17,019,670	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2022-----						-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	213,681	0	0	213,681	0.00	223,700	0	0	223,700
DP 2 - Fixed Costs	0.00	168,109	0	0	168,109	0.00	169,208	0	0	169,208
DP 201 - IT contract increase (FAST/GenTax)	0.00	50,000	0	0	50,000	0.00	100,000	0	0	100,000
DP 202 - IT contract increase (Orion)	0.00	54,702	0	0	54,702	0.00	85,529	0	0	85,529
DP 203 - ServiceNow Reduction	0.00	(9,024)	0	0	(9,024)	0.00	(9,024)	0	0	(9,024)
Grand Total All Present Law Adjustments	0.00	\$477,468	\$0	\$0	\$477,468	0.00	\$569,413	\$0	\$0	\$569,413

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

1. Expected changes
2. Personal services management decisions
3. Modifications made to the personal services budget in the 2021 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include the following: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 201 - IT contract increase (FAST/GenTax) -

The executive requests an increase in the general fund for a maintenance contract increase for the Department of Revenue's (DOR) integrated tax system called GenTax®. Through the system, DOR manages 91 taxes, licenses, and fees.

DP 202 - IT contract increase (Orion) -

The executive is requesting an additional general fund appropriation for an increase in maintenance costs for the Orion property valuation system.

DP 203 - ServiceNow Reduction -

The executive requests a decrease in funding because of the purchase of ServiceNow licenses and programs for the 2023 biennium. The executive is anticipating operating efficiencies and other savings by using ServiceNow.

New Proposals

The New Proposals table shows new changes to spending

New Proposals										
	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 5555 - Reduce GF Budget for State Share Holiday	0.00	(65,501)	0	0	(65,501)	0.00	0	0	0	0
Total	0.00	(\$65,501)	\$0	\$0	(\$65,501)	0.00	\$0	\$0	\$0	\$0

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 5555 - Reduce GF Budget for State Share Holiday -

Governor Gianforte has proposed legislation to impose a two-month state share holiday for employer contributions into the state health insurance fund. This change package removes the general fund portion of the savings generated by the contribution holiday. Savings from other funding sources will remain in the agency to be able to address ongoing functions of the agency. This change package is contingent on passage and approval of the proposed legislation.

Program Biennium Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	5,013,689	5,281,685	267,996	5.35 %
Operating Expenses	1,036,143	1,160,721	124,578	12.02 %
Equipment & Intangible Assets	82,491	61,108	(21,383)	(25.92)%
Transfers	117,816	0	(117,816)	(100.00)%
Debt Service	68,998	70,560	1,562	2.26 %
Total Expenditures	\$6,319,137	\$6,574,074	\$254,937	4.03 %
Proprietary Funds	6,319,137	6,574,074	254,937	4.03 %
Total Funds	\$6,319,137	\$6,574,074	\$254,937	4.03 %
Total Ongoing	\$6,069,137	\$6,324,074	\$254,937	4.20 %
Total OTO	\$250,000	\$250,000	\$0	0.00 %

Page Reference

LFD 2023 Biennium Budget Analysis – A-107

Budget Changes

Changes between the November 15th preliminary budget and the December 15^h budget submission include:

- Elimination of the proposed 2.0% vacancy savings, increasing personal services and proprietary fund by \$104,794 when compared to the 2021 biennium
 - The elimination of vacancy savings increased personal services and proprietary fund by \$52,314 in FY 2022 and \$52,480 in FY 2023
- A proposed increase in proprietary fund of \$16,000 for FY 2022 and FY 2023 for maintenance costs for the Liquor Warehouse Expansion, contingent on the passage and approval of HB 14.

Changes between the December 15th budget submission and the January 7th budget submission include:

- A proposed 4.0% vacancy savings reduction taken against personal services. This proposal reduces proprietary fund and personal services by \$209,626 when compared to the 2021 biennium
 - The proposed 4.0% vacancy savings reduction in personal services reduces personal services and proprietary fund by \$104,645 in FY 2022 and \$104,981 in FY 2023

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	31.75	31.75	31.75	31.75
Personal Services	2,387,729	2,446,619	2,567,070	2,636,852	2,644,833
Operating Expenses	463,545	486,326	549,817	580,727	579,994
Equipment & Intangible Assets	51,937	51,937	30,554	30,554	30,554
Transfers	117,816	117,816	0	0	0
Debt Service	33,410	33,705	35,293	35,285	35,275
Total Expenditures	\$3,054,437	\$3,136,403	\$3,182,734	\$3,283,418	\$3,290,656
Proprietary Funds	3,054,437	3,136,403	3,182,734	3,283,418	3,290,656
Total Funds	\$3,054,437	\$3,136,403	\$3,182,734	\$3,283,418	\$3,290,656
Total Ongoing	\$2,987,827	\$3,011,403	\$3,057,734	\$3,158,418	\$3,165,656
Total OTO	\$66,610	\$125,000	\$125,000	\$125,000	\$125,000

Funding

The following table shows proposed program funding by source of authority.

Department of Revenue, 03-Alcoholic Beverage Control Division Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	0	0	0	0	0	0.00 %
State Special Total	\$0	\$0	\$0	\$0	\$0	0.00 %
03802 CARES Act	0	0	0	0	0	0.00 %
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.00 %
06005 Liquor Division	6,324,074	250,000	0	0	6,574,074	100.00 %
Proprietary Total	\$6,324,074	\$250,000	\$0	\$0	\$6,574,074	100.00 %
Total All Funds	\$6,324,074	\$250,000	\$0	\$0	\$6,574,074	

Program Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the [glossary](#).

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	0	0	0	0.00 %	3,057,734	3,057,734	6,115,468	93.02 %
SWPL Adjustments	0	0	0	0.00 %	84,684	91,922	176,606	2.69 %
PL Adjustments	0	0	0	0.00 %	125,000	125,000	250,000	3.80 %
New Proposals	0	0	0	0.00 %	16,000	16,000	32,000	0.49 %
Total Budget	\$0	\$0	\$0		\$3,283,418	\$3,290,656	\$6,574,074	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2022-----						-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	0	0	69,782	0.00	0	0	0	77,763
DP 2 - Fixed Costs	0.00	0	0	0	16,425	0.00	0	0	0	15,114
DP 3 - Inflation Deflation	0.00	0	0	0	(1,523)	0.00	0	0	0	(955)
DP 307 - ABCD Overtime of Personal Services	0.00	0	0	0	65,000	0.00	0	0	0	65,000
DP 308 - ABCD Termination Payout of Personal Services	0.00	0	0	0	60,000	0.00	0	0	0	60,000
Grand Total All Present Law Adjustments	0.00	\$0	\$0	\$0	\$209,684	0.00	\$0	\$0	\$0	\$216,922

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

1. Expected changes
2. Personal services management decisions
3. Modifications made to the personal services budget in the 2021 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include the following: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The executive requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 307 - ABCD Overtime of Personal Services (OTO) -

The executive is requesting an additional proprietary fund appropriation to pay for overtime and temporary staff to meet the increase in demand for liquor products especially during peaks periods, holiday weeks, and to back fill personnel while out on vacation or sick leave. This request is to provide additional personnel services. Given the budget rules related to overtime and temporary employees' expenditures, it must be requested each legislative session.

DP 308 - ABCD Termination Payout of Personal Services (OTO) -

The executive is requesting an additional proprietary fund appropriation to provide funds to pay out accrued leave balances for employee's retiring and/or leaving the department. This request would allow the department to efficiently distribute alcoholic beverages to the agency liquor stores and comply with the statutory requirement of 16-2-101(12), MCA, requiring the department to maintain a 97.0% monthly service level to the agency stores. If the department is required to use additional vacancy savings to pay for the termination payouts, the department will not be able to meet this statutory requirement.

**LFD
COMMENT**

The executive proposes overtime and termination payouts funding for staff within the Alcoholic Beverage Control Division as a present law adjustment. The 2017 and 2019 Legislature provided funding for overtime and termination payouts as one-time-only in the 2019 and 2021 biennium's, respectively. Based on statutory requirements, items that are one-time-only are considered new proposals in the following budget.

The Legislature may wish to consider approving the proposed overtime and termination payouts funding with one-time funding.

New Proposals

The New Proposals table shows new changes to spending

New Proposals										
	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 18001 - ABCD Liquor Warehouse O&M	0.00	0	0	0	16,000	0.00	0	0	0	16,000
Total	0.00	\$0	\$0	\$0	\$16,000	0.00	\$0	\$0	\$0	\$16,000

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 18001 - ABCD Liquor Warehouse O&M -

The executive requests an increase in proprietary funds for operation and maintenance costs for the Liquor Warehouse Expansion, pursuant to 17-7-210, MCA. This new proposal is contingent on passage and approval of HB 14, including an appropriation for construction of the Liquor Warehouse Expansion.

Program Biennium Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	8,504,394	9,218,719	714,325	8.40 %
Operating Expenses	3,805,075	4,038,477	233,402	6.13 %
Capital Outlay	150,426	0	(150,426)	(100.00)%
Local Assistance	2,000,000	0	(2,000,000)	(100.00)%
Debt Service	5,924	7,482	1,558	26.30 %
Total Expenditures	\$14,465,819	\$13,264,678	(\$1,201,141)	(8.30)%
General Fund	14,325,615	13,124,458	(1,201,157)	(8.38)%
State/Other Special Rev. Funds	106,960	106,974	14	0.01 %
Proprietary Funds	33,244	33,246	2	0.01 %
Total Funds	\$14,465,819	\$13,264,678	(\$1,201,141)	(8.30)%
Total Ongoing	\$14,465,819	\$13,264,678	(\$1,201,141)	(8.30)%
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

LFD 2023 Biennium Budget Analysis – A-114

Budget Changes

Changes between the November 15th preliminary budget and the December 15^h budget submission include:

- Elimination of the proposed 2.0% vacancy savings, increasing personal services and general fund by \$194,807 when compared to the 2021 biennium
 - The elimination of vacancy savings increased personal services and general fund by \$97,280 in FY 2022 and \$97,527 in FY 2023

Changes between the December 15th budget submission and the January 7th budget submission include:

- A proposed 4.0% vacancy savings reduction taken against personal services. This proposal reduces general fund and personal services by \$389,681 when compared to the 2021 biennium
 - The proposed 4.0% vacancy savings reduction in personal services reduces personal services and general fund by \$194,592 in FY 2022 and \$195,089 in FY 2023
- Suspension of the employer share of group benefits for two months reducing general fund by \$135,172 in FY 2022

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	71.95	71.95	71.95	71.95
Personal Services	3,885,920	4,067,397	4,436,997	4,535,687	4,683,032
Operating Expenses	1,839,792	1,840,324	1,964,751	2,014,828	2,023,649
Capital Outlay	149,456	150,426	0	0	0
Local Assistance	0	2,000,000	0	0	0
Debt Service	2,181	2,183	3,741	3,741	3,741
Total Expenditures	\$5,877,349	\$8,060,330	\$6,405,489	\$6,554,256	\$6,710,422
General Fund	5,807,254	7,990,236	6,335,379	6,484,146	6,640,312
State/Other Special Rev. Funds	53,474	53,473	53,487	53,487	53,487
Proprietary Funds	16,621	16,621	16,623	16,623	16,623
Total Funds	\$5,877,349	\$8,060,330	\$6,405,489	\$6,554,256	\$6,710,422
Total Ongoing	\$5,877,349	\$8,060,330	\$6,405,489	\$6,554,256	\$6,710,422
Total OTO	\$0	\$0	\$0	\$0	\$0

Funding

The following table shows proposed program funding by source of authority.

Department of Revenue, 05-Information Management & Collections Division Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	13,124,458	0	0	0	13,124,458	95.14 %
02025 Unclaimed Property	52,272	0	0	0	52,272	48.86 %
02088 SSR Administrative Funds	54,702	0	0	0	54,702	51.14 %
02587 State School Oil & Gas Distrib	0	0	0	0	0	0.00 %
State Special Total	\$106,974	\$0	\$0	\$0	\$106,974	0.78 %
03802 CARES Act	0	0	0	0	0	0.00 %
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.00 %
06005 Liquor Division	33,246	0	0	0	33,246	5.89 %
06554 Bad Debt Collection Services	0	0	530,850	0	530,850	94.11 %
Proprietary Total	\$33,246	\$0	\$530,850	\$0	\$564,096	4.09 %
Total All Funds	\$13,264,678	\$0	\$530,850	\$0	\$13,795,528	

Program Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the [glossary](#).

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	6,335,379	6,335,379	12,670,758	96.54 %	6,405,489	6,405,489	12,810,978	96.58 %
SWPL Adjustments	275,422	287,710	563,132	4.29 %	275,422	287,710	563,132	4.25 %
PL Adjustments	8,517	17,223	25,740	0.20 %	8,517	17,223	25,740	0.19 %
New Proposals	(135,172)	0	(135,172)	(1.03)%	(135,172)	0	(135,172)	(1.02)%
Total Budget	\$6,484,146	\$6,640,312	\$13,124,458		\$6,554,256	\$6,710,422	\$13,264,678	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	233,862	0	0	233,862	0.00	246,035	0	0	246,035
DP 2 - Fixed Costs	0.00	41,564	0	0	41,564	0.00	41,678	0	0	41,678
DP 3 - Inflation Deflation	0.00	(4)	0	0	(4)	0.00	(3)	0	0	(3)
DP 504 - IMCD Rent (Non-DOA) Increase	0.00	7,508	0	0	7,508	0.00	15,165	0	0	15,165
DP 506 - Parking Increase (50% of Donovan Parking)	0.00	1,009	0	0	1,009	0.00	2,058	0	0	2,058
Grand Total All Present Law Adjustments	0.00	\$283,939	\$0	\$0	\$283,939	0.00	\$304,933	\$0	\$0	\$304,933

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

1. Expected changes
2. Personal services management decisions
3. Modifications made to the personal services budget in the 2021 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include the following: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The executive requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 504 - IMCD Rent (Non-DOA) Increase -

The executive requests an increase in general fund for the Department of Revenue, Information Management and Collections Division for the 2023 biennium to pay for contractual rent increases for existing lease obligations at the Donovan Building.

DP 506 - Parking Increase (50% of Donovan Parking) -

The executive requests an increase in general fund for the Department of Revenue, Information Management and Collections Division for the 2023 biennium to pay for increases in rates for downtown parking in Helena.

New Proposals

The New Proposals table shows new changes to spending

New Proposals										
-----Fiscal 2022-----					-----Fiscal 2023-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 5555 - Reduce GF Budget for State Share Holiday	0.00	(135,172)	0	0	(135,172)	0.00	0	0	0	0
Total	0.00	(\$135,172)	\$0	\$0	(\$135,172)	0.00	\$0	\$0	\$0	\$0

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 5555 - Reduce GF Budget for State Share Holiday -

Governor Gianforte has proposed legislation to impose a two-month state share holiday for employer contributions into the state health insurance fund. This change package removes the general fund portion of the savings generate by the contribution holiday. Savings from other funding sources will remain in the agency to be able to address ongoing functions of the agency. This change package is contingent on passage and approval of the proposed legislation.

Program Biennium Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	20,233,456	20,834,495	601,039	2.97 %
Operating Expenses	3,160,542	3,544,224	383,682	12.14 %
Debt Service	13,095	15,116	2,021	15.43 %
Total Expenditures	\$23,407,093	\$24,393,835	\$986,742	4.22 %
General Fund	21,588,622	22,564,273	975,651	4.52 %
State/Other Special Rev. Funds	1,268,462	1,269,708	1,246	0.10 %
Federal Spec. Rev. Funds	550,009	559,854	9,845	1.79 %
Total Funds	\$23,407,093	\$24,393,835	\$986,742	4.22 %
Total Ongoing	\$23,407,093	\$24,393,835	\$986,742	4.22 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

LFD 2023 Biennium Budget Analysis – A-121

Budget Changes

Changes between the November 15th preliminary budget and the December 15^h budget submission include:

- Elimination of the proposed 2.0% vacancy savings, increasing personal services and general fund by \$439,483 when compared to the 2021 biennium
 - The elimination of vacancy savings increased personal services and general fund by \$219,433 in FY 2022 and \$220,050 in FY 2023

Changes between the December 15th budget submission and the January 7th budget submission include:

- A proposed 4.0% vacancy savings reduction taken against personal services. This proposal reduces general fund and personal services by \$879,146 when compared to the 2021 biennium
 - The proposed 4.0% vacancy savings reduction in personal services reduces personal services and general fund by \$438,959 in FY 2022 and \$440,187 in FY 2023
- Suspension of the employer share of group benefits for two months reducing general fund by \$268,766 in FY 2022

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	138.86	138.86	138.86	138.86
Personal Services	9,805,836	9,911,814	10,321,642	10,268,157	10,566,338
Operating Expenses	1,473,342	1,473,856	1,686,686	1,779,058	1,765,166
Debt Service	5,536	5,537	7,558	7,558	7,558
Total Expenditures	\$11,284,714	\$11,391,207	\$12,015,886	\$12,054,773	\$12,339,062
General Fund	10,375,387	10,481,881	11,106,741	11,139,999	11,424,274
State/Other Special Rev. Funds	634,242	634,240	634,222	634,854	634,854
Federal Spec. Rev. Funds	275,085	275,086	274,923	279,920	279,934
Total Funds	\$11,284,714	\$11,391,207	\$12,015,886	\$12,054,773	\$12,339,062
Total Ongoing	\$11,284,714	\$11,391,207	\$12,015,886	\$12,054,773	\$12,339,062
Total OTO	\$0	\$0	\$0	\$0	\$0

Funding

The following table shows proposed program funding by source of authority.

Department of Revenue, 07-Business & Income Taxes Division Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	22,564,273	0	0	0	22,564,273	91.86 %
02025 Unclaimed Property	631,750	0	0	0	631,750	43.84 %
02110 Accommodation Tax Admin	261,602	0	0	0	261,602	18.15 %
02111 Accommodation Tax Account	0	0	0	0	0	0.00 %
02116 Accommodation Tax Account	0	0	0	0	0	0.00 %
02123 Sites & Signs	0	0	0	0	0	0.00 %
02167 MT Oil & Gas Tax Clearing Fund	0	0	0	0	0	0.00 %
02254 Regional Accommodation Tax	0	0	0	0	0	0.00 %
02274 FWP Accommodations Tax	0	0	0	0	0	0.00 %
02293 Film Production Credit	0	0	0	40,000	40,000	2.78 %
02772 Tobacco Hlth and Medicaid Init	0	0	0	0	0	0.00 %
02790 6901-Statewide Tobacco Sttlmnt	376,356	0	0	0	376,356	26.12 %
02801 Dep Rev Consumer Cncl Tax	0	0	0	0	0	0.00 %
02853 Accommodation Tax	0	0	0	0	0	0.00 %
02990 69010-Nursing Home Utilization	0	0	0	0	0	0.00 %
02795 TransADE Special Revenue	0	0	0	0	0	0.00 %
02020 Cigarette Tax Stamps	0	0	0	131,250	131,250	9.11 %
02284 Aquatic Invasive Species	0	0	0	0	0	0.00 %
02939 State-Tribal Economic Devel	0	0	0	0	0	0.00 %
02997 911 Distribution	0	0	0	0	0	0.00 %
02998 911 Grants	0	0	0	0	0	0.00 %
State Special Total	\$1,269,708	\$0	\$0	\$171,250	\$1,440,958	5.87 %
03802 CARES Act	0	0	0	0	0	0.00 %
03928 Royalty Audit - NRCT	559,854	0	0	0	559,854	100.00 %
Federal Special Total	\$559,854	\$0	\$0	\$0	\$559,854	2.28 %
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$24,393,835	\$0	\$0	\$171,250	\$24,565,085	

Program Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the [glossary](#).

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	11,106,741	11,106,741	22,213,482	98.45 %	12,015,886	12,015,886	24,031,772	98.52 %
SWPL Adjustments	302,024	317,533	619,557	2.75 %	307,653	323,176	630,829	2.59 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	(268,766)	0	(268,766)	(1.19)%	(268,766)	0	(268,766)	(1.10)%
Total Budget	\$11,139,999	\$11,424,274	\$22,564,273		\$12,054,773	\$12,339,062	\$24,393,835	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	215,281	0	0	215,281	0.00	244,696	0	0	244,696
DP 2 - Fixed Costs	0.00	88,636	632	4,997	94,265	0.00	74,024	632	5,011	79,667
DP 3 - Inflation Deflation	0.00	(1,893)	0	0	(1,893)	0.00	(1,187)	0	0	(1,187)
Grand Total All Present Law Adjustments	0.00	\$302,024	\$632	\$4,997	\$307,653	0.00	\$317,533	\$632	\$5,011	\$323,176

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

1. Expected changes
2. Personal services management decisions
3. Modifications made to the personal services budget in the 2021 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include the following: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The executive requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

New Proposals

The New Proposals table shows new changes to spending

New Proposals										
	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 5555 - Reduce GF Budget for State Share Holiday	0.00	(268,766)	0	0	(268,766)	0.00	0	0	0	0
Total	0.00	(\$268,766)	\$0	\$0	(\$268,766)	0.00	\$0	\$0	\$0	\$0

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 5555 - Reduce GF Budget for State Share Holiday -

Governor Gianforte has proposed legislation to impose a two-month state share holiday for employer contributions into the state health insurance fund. This change package removes the general fund portion of the savings generate by the contribution holiday. Savings from other funding sources will remain in the agency to be able to address ongoing functions of the agency. This change package is contingent on passage and approval of the proposed legislation.

Program Biennium Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	38,437,111	38,046,761	(390,350)	(1.02)%
Operating Expenses	7,225,426	7,697,594	472,168	6.53 %
Equipment & Intangible Assets	6,000	0	(6,000)	(100.00)%
Capital Outlay	52,869	0	(52,869)	(100.00)%
Debt Service	26,766	40,484	13,718	51.25 %
Total Expenditures	\$45,748,172	\$45,784,839	\$36,667	0.08 %
General Fund	45,719,609	45,750,287	30,678	0.07 %
State/Other Special Rev. Funds	28,563	34,552	5,989	20.97 %
Total Funds	\$45,748,172	\$45,784,839	\$36,667	0.08 %
Total Ongoing	\$45,748,172	\$45,784,839	\$36,667	0.08 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

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Budget Changes

Changes between the November 15th preliminary budget and the December 15^h budget submission include:

- Elimination of the proposed 2.0% vacancy savings, increasing personal services and general fund by \$804,636 when compared to the 2021 biennium
 - The elimination of vacancy savings increased personal services and general fund by \$401,662 in FY 2022 and \$402,974 in FY 2023

Changes between the December 15th budget submission and the January 7th budget submission include:

- A proposed 4.0% vacancy savings reduction taken against personal services. This proposal reduces general fund and personal services by \$1,609,611 when compared to the 2021 biennium
 - The proposed 4.0% vacancy savings reduction in personal services reduces personal services and general fund by \$803,494 in FY 2022 and \$806,117 in FY 2023
- Suspension of the employer share of group benefits for two months reducing general fund by \$590,155 in FY 2022

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	276.92	276.92	276.92	276.92
Personal Services	18,652,220	18,829,068	19,608,043	18,696,898	19,349,863
Operating Expenses	3,538,929	3,543,247	3,682,179	3,831,859	3,865,735
Equipment & Intangible Assets	5,995	6,000	0	0	0
Capital Outlay	52,119	52,869	0	0	0
Debt Service	6,138	6,524	20,242	20,242	20,242
Total Expenditures	\$22,255,401	\$22,437,708	\$23,310,464	\$22,548,999	\$23,235,840
General Fund	22,241,114	22,423,421	23,296,188	22,531,723	23,218,564
State/Other Special Rev. Funds	14,287	14,287	14,276	17,276	17,276
Total Funds	\$22,255,401	\$22,437,708	\$23,310,464	\$22,548,999	\$23,235,840
Total Ongoing	\$22,255,401	\$22,437,708	\$23,310,464	\$22,548,999	\$23,235,840
Total OTO	\$0	\$0	\$0	\$0	\$0

Funding

The following table shows proposed program funding by source of authority.

Department of Revenue, 08-Property Assessment Division Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	45,750,287	0	0	0	45,750,287	99.92 %
02088 SSR Administrative Funds	28,552	0	0	0	28,552	82.63 %
02320 Property Value. Improv. Fund	6,000	0	0	0	6,000	17.37 %
State Special Total	\$34,552	\$0	\$0	\$0	\$34,552	0.08 %
03802 CARES Act	0	0	0	0	0	0.00 %
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.00 %
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$45,784,839	\$0	\$0	\$0	\$45,784,839	

Program Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the [glossary](#).

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	23,296,188	23,296,188	46,592,376	101.84 %	23,310,464	23,310,464	46,620,928	101.83 %
SWPL Adjustments	(275,973)	(198,017)	(473,990)	(1.04)%	(275,973)	(198,017)	(473,990)	(1.04)%
PL Adjustments	92,124	110,854	202,978	0.44 %	92,124	110,854	202,978	0.44 %
New Proposals	(580,616)	9,539	(571,077)	(1.25)%	(577,616)	12,539	(565,077)	(1.23)%
Total Budget	\$22,531,723	\$23,218,564	\$45,750,287		\$22,548,999	\$23,235,840	\$45,784,839	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2022-----						-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	(320,990)	0	0	(320,990)	0.00	(258,180)	0	0	(258,180)
DP 2 - Fixed Costs	0.00	92,619	0	0	92,619	0.00	90,017	0	0	90,017
DP 3 - Inflation Deflation	0.00	(47,602)	0	0	(47,602)	0.00	(29,854)	0	0	(29,854)
DP 803 - PAD Rent (Non-DOA) Increase	0.00	89,420	0	0	89,420	0.00	106,568	0	0	106,568
DP 805 - PAD Parking Increase (50% Donovan + other county)	0.00	2,704	0	0	2,704	0.00	4,286	0	0	4,286
Grand Total All Present Law Adjustments	0.00	(\$183,849)	\$0	\$0	(\$183,849)	0.00	(\$87,163)	\$0	\$0	(\$87,163)

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

1. Expected changes
2. Personal services management decisions
3. Modifications made to the personal services budget in the 2021 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include the following: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The executive requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 803 - PAD Rent (Non-DOA) Increase -

The executive requests an increase in general fund appropriation for the 2023 biennium to pay for contractual rent increases for space currently occupied by property assessment division staff throughout the state. Many county leases follow the GSD rent rate increase. Those that do not were estimated at a 2.0% increase. The private lease contracts are negotiated each time the contract is up for renewal.

DP 805 - PAD Parking Increase (50% Donovan + other county) -

The executive requests an increase in general fund appropriation for the 2023 biennium to pay for increases in rates for downtown parking in Great Falls, Billings, and Helena.

New Proposals

The New Proposals table shows new changes to spending

New Proposals										
-----Fiscal 2022-----						-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 806 - Establish Authority for Property Valuation Improvement Fund	0.00	0	3,000	0	3,000	0.00	0	3,000	0	3,000
DP 807 - NRIS/GIS Fixed Costs	0.00	9,539	0	0	9,539	0.00	9,539	0	0	9,539
DP 5555 - Reduce GF Budget for State Share Holiday	0.00	(590,155)	0	0	(590,155)	0.00	0	0	0	0
Total	0.00	(\$580,616)	\$3,000	\$0	(\$577,616)	0.00	\$9,539	\$3,000	\$0	\$12,539

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 806 - Establish Authority for Property Valuation Improvement Fund -

The executive requests an increase in state special revenue appropriation for the 2023 biennium. The property valuation improvement fund established in 15-1-521, MCA, is a state special revenue fund to be used to increase the efficiency of the property appraisal, assessment and taxation process through improvements in technology and administration. Any fees the department collects from entities who request information from the property valuation and assessment database are deposited into the fund. (2-6-1007, MCA)

DP 807 - NRIS/GIS Fixed Costs -

The executive is requesting an increase in general fund each year of the 2023 biennium for a new proposed NRIS/GIS usage fixed cost to be paid to the Montana State Library. This action is in line with the Legislative Finance Committee proposal to include these costs in the statewide fixed cost adjustments.

DP 5555 - Reduce GF Budget for State Share Holiday -

Governor Gianforte has proposed legislation to impose a two-month state share holiday for employer contributions into the state health insurance fund. This change package removes the general fund portion of the savings generate by the contribution holiday. Savings from other funding sources will remain in the agency to be able to address ongoing functions of the agency. This change package is contingent on passage and approval of the proposed legislation.